MOTOR INSURANCE | RENEWAL PLAYBOOK

Pay Less Without Covering Less

A practical guide to cutting your car insurance premium at renewal, without quietly cutting the protection that comes with it.

An 8-slide guide for Indian car owners

WHY THE QUOTE KEEPS CLIMBING

The Renewal You Never Read Is the One You Overpay For

Auto-renewal is priced for convenience

Rolling the same policy forward with one tap is the easiest thing you can do at renewal, and almost never the cheapest. Nothing in the quote gets re-examined on your behalf.

Your car is worth less every year

Depreciation should be pulling your own-damage premium down. If your renewal notice looks flat or higher, something in the policy is quietly working against you.

Discounts you have earned go unclaimed

No Claim Bonus, voluntary deductibles, approved anti-theft fitments — several of the biggest levers only apply if someone actually asks for them.

Add-ons outlive their usefulness

A rider that made sense on a brand-new car often stops earning its place by year five, but it keeps renewing on the same invoice regardless.

Before you renew on autopilot, read up on **how to lower car insurance premiums** and work through the levers one by one.

KNOW WHAT YOU ARE CUTTING

Your Premium Has Two Halves. Only One Is Negotiable.

Every motor policy in India splits into a third-party component and an own-damage component. Knowing which is which tells you exactly where savings can and cannot come from.

FIXED BY REGULATION

Third-party liability

Rates are notified by IRDAI and vary only with engine capacity. Every insurer charges the same, so no discount exists here.

WHERE EVERY RUPEE OF SAVING LIVES

Own damage and add-ons

Priced by the insurer, on their assessment of you and the car. This is the half that responds to your No Claim Bonus, your declared value, your deductible, your security fitments and your rider choices.

IDV

Declared value of the car

NCB

Claim-free years, up to 50%

Deductible

What you agree to absorb

Vehicle profile

Model, age, engine, city

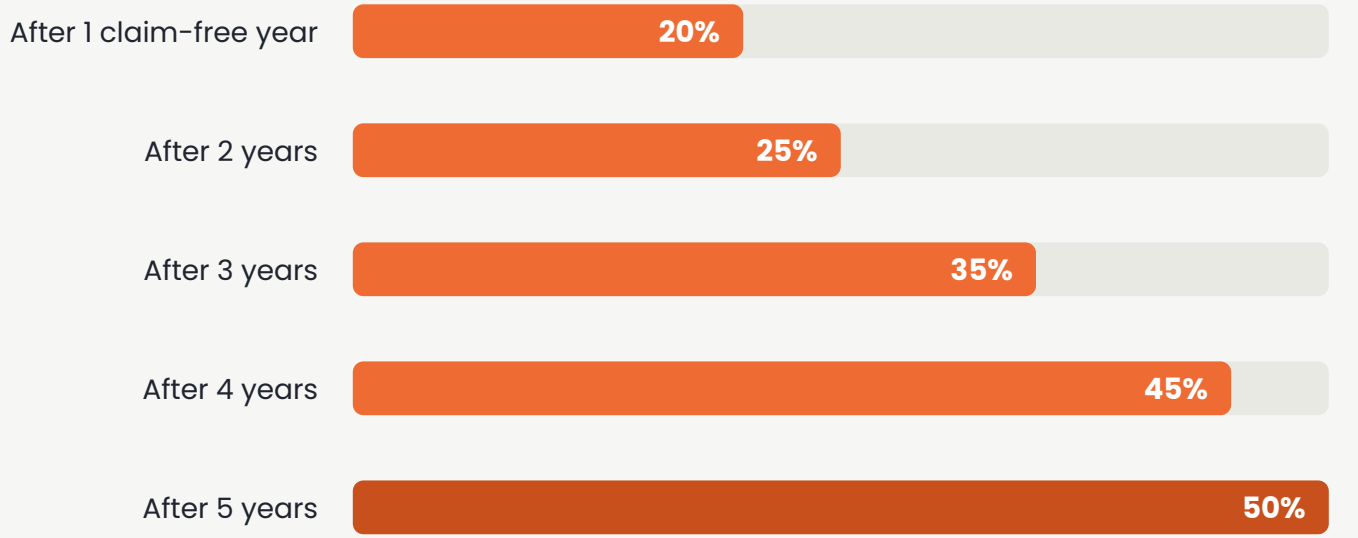
Add-ons

Every rider you keep

THE BIGGEST SINGLE LEVER

No Claim Bonus: Earned Slowly, Lost Instantly

One claim-free year earns a discount on your own-damage premium. Five of them halve it. A single small claim resets the ladder to zero.



Discount applies to the own-damage portion only, not to third-party premium.

PROTECT IT

Do the arithmetic before claiming

A ₹9,000 bumper repair can cost more than that in lost bonus over the following years. Small claims are usually cheaper paid from your own pocket.

It follows you, not the car

Sell the car and the bonus stays with you. Transfer it to the new vehicle rather than starting again at zero.

Do not let it lapse

Renew within the grace window after expiry or the accumulated bonus is written off entirely.

THE TWO DIALS YOU CONTROL

Declared Value and Deductible: Cut Carefully

Insured Declared Value

The cap on what you get if the car is written off

- Lowering IDV lowers the premium, and lowers your payout on total loss or theft by exactly as much.
- It is the one saving that only shows up as a saving until the day you actually need the policy.
- Depreciation reduces IDV every year anyway, which is why a well-priced renewal should trend downward on its own.
- Accept the fair depreciated value; resist the temptation to under-declare beyond it.

Voluntary deductible

What you agree to pay before the insurer pays

- Agreeing to absorb more of each claim earns a discount on the own-damage premium, tiered by the amount chosen.
- This sits on top of the compulsory deductible that already applies to every policy.
- It works best for careful drivers who rarely claim, which is the same profile already earning a high NCB.
- Only pick a level you could pay tomorrow, in cash, without disrupting anything else.

THE ANNUAL AUDIT

Which Add-Ons Still Earn Their Place?

Riders are sold once and renewed forever. Judge each one against the age of the car and what you already have elsewhere.

Add-on	Worth keeping when	Worth dropping when
Zero depreciation	✓ New car, under five years	✗ Older car past the eligible age
Engine protection	✓ Flood-prone city, low ground clearance	✗ Dry region, high-clearance vehicle
Roadside assistance	✓ No manufacturer or card cover	✗ Already bundled free elsewhere
Return to invoice	✓ Car under three years old	✗ Mid-life car where the gap is small
Consumables cover	✓ Frequent workshop visits	✗ Rarely claimed, low annual value

Dropping a rider is a real reduction in cover, not a discount. Cut the ones you would not claim on, not the ones you might.

THIRTY DAYS BEFORE EXPIRY

The Renewal Checklist

30 days out

Pull the current policy

Note the IDV, the NCB percentage, every add-on and both deductibles. You cannot compare what you have not read.

21 days out

Get quotes side by side

Compare at identical IDV and identical cover. A cheaper quote at a lower IDV is not a cheaper quote.

14 days out

Claim what you have earned

Declare claim-free years, approved anti-theft fitments and any recognised automobile association membership.

7 days out

Right-size, then renew

Trim riders you would not claim on, set the deductible you can actually absorb, pay annually, and renew before expiry.

A lapse of even a single day can cost you the accumulated bonus and invites a fresh inspection of the car.

THE TAKEAWAY

A cheaper premium is easy.
The same cover for less takes an hour.

Almost every large saving comes from three places: the bonus you have already earned, the risk you are willing to absorb yourself, and the riders you stopped needing. Everything else is shopping around.

Protect the NCB

Skip small claims, renew on time

Right-size, don't strip

Keep IDV honest, cut dead riders

Compare like for like

Same IDV, same cover, then price

General information only, not insurance advice. Discounts, add-on availability and eligibility vary by insurer and policy.